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BY THE SENATE, *January 7, 1854.*

Read and ordered to be printed.

By order,

C. HARWOOD, Secretary.

ANNUAL MESSAGE.

OF THE

Executive of Maryland

TO THE

GENERAL ASSEMBLY.

EXHIBIT B-211-C

General of Maryland

GENERAL ASSEMBLY

MESSAGE.

FELLOW CITIZENS OF THE

SENATE AND HOUSE OF DELEGATES:

We are deeply indebted, and, I hope, profoundly grateful to a Merciful Providence for the continuance, during the past year, of all those special blessings which, as a State and a Nation, we have enjoyed almost uninterruptedly from the beginning. At no period since its first settlement, has this Country ever received a greater measure of prosperity and happiness than it now possesses. Peace with all the world, and perfect contentment at home, are the choicest temporal gifts which the Divine Munificence can bestow upon a people. If we add to those, the innumerable blessings perennially flowing from the fountains of our free Government, and the extraordinary advantages meeting us at every point on this noble Continent, which has been confided to our Stewardship for the present relief and future greatness of mankind, we cannot fail to perceive and acknowledge the singular favor manifested in our regard by Divine Providence; neither can we prove unmindful of the corresponding obligations which rest upon us.

I earnestly invite your attention to the recommendations which I made to the General Assembly, at the Session of 1852, in reference to the criminal laws of the State, and the necessity for defining and enlarging certain powers of the Executive. In consequence of the pressure of other more important business, the Legislature, at that and the succeeding Session, omitted to give to the subject the attention which I think it demands. The experience of every day since has confirmed me in the views I then expressed. It is not a matter of speculation, but of positive conviction with me, that the remedies proposed in my Annual Message of that year are absolutely required for the proper administration of the laws in justice and mercy. Power should be expressly conferred upon the Executive to grant conditional pardons in all cases, as he is now authorized to do in cases of capital punishment, by the Act of 1787, chapter 17, and the Act of 1795, chapter 82. The pardoning prerogative vested in him by the Constitution is general in its terms; and such questions are left to construction, or to legislative provision. It is not consistent with the theory of our Government that important powers should rest upon the uncertain and ever varying interpretations of public officers. Whilst you cannot abridge the prerogative, you are at liberty to enlarge the discretion of the Executive in its exercise, provided that, as in the case under consideration, it is not incompatible with the letter or spirit of the paramount law.

It is also necessary that provision should be made to remedy a severe grievance which has frequently been brought to my notice during my administration. I

have found prisoners in the Penitentiary convicted of common larcenies, who had been sentenced for longer terms of confinement than had been imposed upon others for the commission of some of the worst crimes known to the law. This has happened where the act, though single in fact and in morals, had been multiplied by the operation of a technical rule of the law which supposed the commission of as many distinct offences as there were owners of the property stolen. A careful revision of the criminal code, and of the various Acts of Assembly relating to pardons and the remission of fines, forfeitures and penalties, will disclose a wide field for investigation and improvement.

Before I leave this subject I feel it to be my duty most earnestly to press upon your attention the imperative necessity that exists for some change in the present mode of conducting public executions. Strange as it may appear in the midst of the civilization of the nineteenth century and the boasted enlightenment of our republican Society, it is nevertheless an humiliating fact, that every public execution gives rise to scenes of callous and profane debauchery which would disgrace a barbarous nation. Even the great majority of those, to whom the preceding remarks could not be justly applied, are hurried to the revolting spectacle by no other motive than one of idle curiosity. The tender sensibilities of woman are indurated, and the impressible nature of the child is distorted by familiarity with such exhibitions. If it is the theory of the law that a public execution is necessary to enforce the example which stern justice exhibits for the terror of evil-doers, then indeed the experience of the past has abundantly shewn that the very opposite effect is produced. In my judgment, it would be better to abolish capital punishment altogether than to continue the present abominable system. Executions should be private; but, at the same time, provision should be made to secure the attendance of a sufficiently large number of citizens of respectable character and matured age, as witnesses to the proper fulfilment of the sentence of the law. That should be expressly regulated by Statute; although the management of the details may be entrusted to the discretion of the Court or its proper officers.

In reply to a communication addressed by me to the President of the Chesapeake and Ohio Canal Company, I am informed that the Canal has been in good navigable condition during the past year, with the exception of occasional interruptions, in the busiest season, caused by low water in the river, and by defects in dams Nos. 4 and 5, which accordingly require considerable repairs, and for which measures are now in progress. The President expresses the opinion that, but for the accidents to those dams (which, it seems, were originally defective, and had been already injured by successive floods) and the prevalence of the Cholera at Cumberland and along the line of the Canal, the revenue for the last year would have largely exceeded \$200,000; and would probably have reached \$400,000, if it had not been affected by the accidents of 1852. I am gratified to learn that those parts of the work which were so extensively damaged by the extraordinary freshet of that year have been repaired and improved in such a manner as to secure them, as far as practicable, from similar disasters hereafter. It is estimated that it will now require an expenditure of forty or fifty thousand dollars to put dams Nos. 4 and 5 in complete order; which will make the Canal navigable even in dry seasons, until the additional waste of water, occasioned by an augmented trade, shall render it

necessary to provide feeders for the levels near Cumberland. The President anticipates that that requirement can then be readily met out of the increasing revenues.

The tolls collected from the 1st of January to the 31st of December, 1852, amounted to \$92,248.90; and, in 1853, to \$145,000, allowing \$12,665.83 as the estimate for December last; which shows an increase for the year just closed, of \$52,751.10. The entire revenue of the year, adding \$5,000 for rents, is estimated at \$150,000. The current expenditures for the same period (exclusive of unpaid interest on coupon bonds issued for repairs and for the completion of the Canal, amounting for the year to \$114,000) are estimated at \$103,177. Of that amount \$10,400 were paid for interest on loans. The estimated surplus on the current business of the year was \$46,823; of which about \$35,000 have been or will be applied to the payment of arrearages due for repairs of the Canal and other current demands. The aggregate tonnage of all articles transported for various distances on the canal, during the last year, allowing 22,000 tons as the estimate for December, was 267,434 tons; of which, the "*equivalent tonnage*," claimed to be within the meaning of the Act of 1844, chapter 281, was 190,000 tons, being but five thousand tons less than the amount required by that Act to be annually transported over the entire line from Cumberland to Georgetown, upon an average of five years.

From the 1st of January to the 30th of November last 139,230 tons of coal were transported to various points on the Canal, which, with the estimate of 15,000 tons for December, will give an aggregate of 154,230 tons for the year; showing an increase of 90,735 tons over the year previous. The transportation of coal is stated to have been less than was expected, owing in a great measure to the interruptions in the navigation already referred to, and also in part to the comparatively small number of boats now on the Canal, which has not been materially increased during the year.

I am also informed that the arrears of interest on the bonds of the Company issued for the completion of the Canal to Cumberland unpaid, from the 1st of July, 1852, to the 1st of January, 1854, inclusive, amounting to \$204,000, are in the course of being funded by the issue of certificates bearing interest, payable semi-annually; and that when this shall have been effected, it is hoped that the increasing business of the Company will soon enable it to resume the regular payment of interest on those bonds, as well as on the bonds issued for repairs, amounting to \$200,000, guaranteed by the State of Virginia.

In my last annual Message, I stated that the Baltimore and Susquehanna Railroad Company had paid into the Treasury, during the fiscal year of the State then closed, the sum of \$60,000, and, after the expiration of the fiscal year, the further sum of \$25,000, on account of current interest. No payment has been made since that time. This is not to be attributed to a falling off in the receipts of the Company; for, we learn from the Annual Report of the President and Directors that the gross receipts for 1853 were largely increased, and that the net income was greater by \$37,633.90 than that of 1852. The net revenue for the last year, was \$125,642.51; and was considerably larger than that of any one of the preceding eleven years, with the exception of 1851, when it reached \$120,973.88. Such exhibits would seem to indicate the ability of the Company to pay, last year, at least as much of the current interest

due the State as had been annually discharged in the previous four years. It appears, however, that the revenues were consumed principally in the renewal of the old track, the construction of sidings, the repairs of bridges, and the purchase of such additional stock and equipments of the road, as were considered indispensable for the accommodation of a constantly increasing trade, and for the profitable employment of the work hereafter. I am not disposed to question the soundness of the views which produced those arrangements, although the Treasury was thereby deprived of a part of its resources for the year. It is true, as urged in the Report of the President and Directors, that the policy of "stinting" their road originated in the pressing exigencies which at one time threatened the financial integrity of the State; and it is equally true, that no such reason now exists for the continuance of that policy. It may also be conceded that a more liberal and comprehensive scale of arrangements should be adopted for the future, in order that the road may be amply prepared for the enlarged trade which its extensive foreign connections will develop and naturally direct towards it. Nevertheless, I must be permitted to say, that any radical change in the general policy of the Company, should such be contemplated, could only be effected with the free consent and approbation of the State. Besides the original loans of nearly nineteen hundred thousand dollars, this Company owes to the State more than twelve hundred thousand dollars of funded and unfunded interest. The State likewise occupies the position of a preferred creditor. It has, therefore, a two-fold right to decide upon any proposition which might contemplate such a material change in the policy of the Company as would necessarily control the future application of its revenues. That right was fully recognized in the tenor and spirit of the memorial presented by the Company to your predecessors at the last Session. The State was asked to do one of three things: *first*, "to retire from its position as a preferred creditor of the Baltimore and Susquehanna Railroad Company, and leave it at perfect liberty to use its credit to such extent as may be necessary, with power to confer priority upon its new indebtedness; the State reserving to itself the next place in the obligations of the Company, after full provision shall be made for the new creditors;" *secondly*, "that the State should, for the whole amount of the Company's present indebtedness to it, place itself in the relationship of a simple Stockholder, which would, as in the former case, leave the Company in the free use of its credit, and with power to confer priority upon the new indebtedness it may be necessary to incur;" *thirdly*, that the State should consent to "a sale of its interest in the road." The amount to be realized to the State by the proposed sale was, I believe, estimated at fifteen hundred thousand dollars. Were that amount paid in 5 per cent. State Stock at par, (cancelling that much of the public debt,) it would practically do no more than to effect an annual relief to the Treasury of seventy-five thousand dollars; whereas, the Company itself paid into the Treasury on account of interest, in 1849, \$75,000; in 1850, \$75,000; in 1851, \$84,692; and in 1852, (inclusive of the \$25,000 paid in December of that year, and embraced in the first Annual Report of the Comptroller, though credited in the account of receipts as of the fiscal year 1853,) the sum of \$85,000. Unless, therefore, we are to anticipate a decided retrogression in the future operations of the Company, it is quite evident that the State could gain nothing by this proposed sale of its

interest for less than one-half of the amount of its claims; whilst, on the other hand, after having incurred nearly all the sacrifices resulting from the past embarrassments of the Company, it would thereby surrender all of the possible advantages to be expected from the future success of the enterprise; besides sustaining an immediate loss of a million and a half of dollars of that part of its capital to which, though now unproductive, it confidently looks to aid in the payment of the public debt at some future day. As to the second proposition, it is questionable upon constitutional grounds. The Legislature being expressly prohibited by the Constitution from making direct appropriations or lending the public credit for purposes of Internal Improvement, it may well be asked how the loans made by the State to the Company, and the accumulations of interest subsequently funded, can now be converted into a subscription to Stock, without violating the spirit and, indeed, the very letter of that instrument. The State, in surrendering the debt by becoming a stockholder, would virtually appropriate that much of the public capital to a forbidden object. The fact that the amount thus proposed to be subscribed to the Stock of the Company would consist of an outstanding debt due the State, and not of so much money to be taken from the Treasury or raised upon new issues of the public credit, does not at all relieve the case from the constitutional difficulty. Of the three propositions made by the Company, therefore, I decidedly prefer the first. When it was presented to my consideration by the President of the Company, in December 1852, I was disposed to view it as unconstitutional, for reasons analogous to the one just given. It is not so clear, however, that a postponement of its priorities by the State as a preferred creditor would be an infraction of the Constitutional prohibition; because, it would not be a positive relinquishment of principal or interest, although it might protract the payment of either or of both. It would not be a question of direct or indirect appropriation (in the nature of a new loan or a subscription to stock,) but one altogether of an extension of time upon an indebtedness already existing. It might possibly, but would not necessarily result in pecuniary loss; and it may therefore be argued that, without such ultimate loss, no appropriation could be said to have been made, within the widest meaning of the Constitution. If you should therefore determine, after a careful investigation of the whole subject, that the prospects of the Baltimore and Susquehanna Railroad are such as to justify, and that the public welfare requires the adoption of one of the three propositions submitted to your predecessors, I would recommend the first, as less clearly obnoxious to constitutional objections than the second, and as more conducive to the interests of the State than the third. Until you shall have decided this question, however, it will be the duty of the Company to pay to the State the current annual interest, or so much thereof as the road is capable of producing upon the present basis of its operations, as exemplified to some extent in its exhibits of the last and several preceding years. I am sure that the Company would not feel disposed, if it had the power, to coerce the State into the adoption of its views, by withholding any portion of its revenues not actually required to cover necessary current expenses. Were it otherwise, however, an efficient remedy would be at hand. I wish it distinctly understood that the foregoing remarks look to the future and not to the past. I have found no cause of complaint or distrust in the action of the Company up to

this time; on the contrary, it gives me pleasure to say that its affairs have been conducted with marked ability. My sole motive in making these observations is to bring the question out fully; and, in general terms, to indicate the points which I regard as particularly demanding your careful consideration. The Company will renew, at this Session, propositions similar to those which it made to your predecessors last year. You will be called upon to give a decision of great and lasting importance to the State. An error, either way, would be serious, and might prove irreparable. To refuse any accommodation whatever to the Company, and thereby to confine its operations altogether within present limits, might be to forego the natural destiny of a great enterprise, continue it in a crippled condition for an indefinite period, and ultimately render valueless the investment of the State. On the other hand, to defer the priorities of the State might be to sacrifice the current annual interest for a succession of years, and to impair the security of the principal debt, without leading to any of the remunerating results contemplated. A question of such magnitude and varied detail I refer to your superior wisdom, as one falling exclusively within the province of your legislative discretion. I have only to express the hope that it will be fully considered and wisely disposed of.

The Annual Report of the President and Directors of the Baltimore and Ohio Railroad Company, of November last, discloses several leading facts which, in my opinion, clearly indicate the certain success of that work. To measure its future prosperity by the limited operations of the past would be, I think, to take a contracted view of a very comprehensive subject. From the beginning, no one has denied that the destiny of the Baltimore and Ohio Railroad will only commence when the inexhaustible products of the vast region west of the Ohio River shall seek and find in it a reliable channel to an eastern market. Although this work now depends entirely upon the Ohio River for its connection with the trade beyond its western terminus, still we find recorded in the Annual Report of the President and Directors the encouraging fact, that the revenue of the Company, for the last six months of the year 1853, was \$1,218,834.99; or, but \$106,728.66 less than the receipts of the whole year 1852, prior to the opening of the road to Wheeling. We also learn that those six months were the dulllest in the year, "the bulk of all products of labor seeking a market from October to April." That one fact unmistakeably foreshadows the results which time must develop. I am at a loss to conceive how doubts can be entertained, by any reflecting man, of the ultimate and early triumph of this work. I do not believe that two tracks to the Ohio River, ten years hence, will more than suffice for the proper accommodation of its trade and travel, making the most liberal allowance for all competition. It seems to me to be a proposition beyond controversy. The population, agricultural products, manufactures and general enterprise of the West will have so increased in the next ten years, that no one public work now completed or projected in that direction can, it appears to me, fail to secure employment to its full capacity at remunerating prices. Another remarkable fact should be mentioned here, and it is this, that the large receipts of the last year were derived principally from the local trade at and between Wheeling and Baltimore. What will not be the operations of this road when relieved from its dependence upon the uncertain navigation of the Ohio River, and when it shall have directed its unfettered energy to secure the advantages to

be offered, next summer, by the opening of the Central Ohio Railroad to Wheeling, with its connections ramifying through seventeen hundred miles of a rich and populous country. The Branch Road to Parkersburg, when completed, and its lines of extension reaching to the West, North-West and South-West, binding together the commercial and manufacturing Cities and agricultural districts of those great divisions of the country, must inevitably pour along the Main Stem a current of trade which will fill it to the capacity of a double track. Until I lose my confidence in the expansive energies of the Nation, as well as in the characteristic enterprise of the western people, I certainly cannot abate one jot of my faith in the destiny of the Baltimore and Ohio Railroad. It is now stretching its arm to the waters of the Mississippi; and, at no distant day, it will enter the lists as a formidable competitor for the immense trade of the Pacific. As one of the main distributing arteries of national commerce, it will become essential to the circulation and equilibrium of the system; and its profits will be commensurate with the magnitude of its operations.

The Washington Branch of the Baltimore and Ohio Railroad has increased its revenue for the last, as compared with the preceding year, by the sum of \$36,408.18, notwithstanding the reduction of fare from one dollar and eighty to one dollar and twenty-five cents; and the President and Directors express the belief that, although there was a slight falling off in July, August and September, (the three months, next preceding the close of the fiscal year of the Company, during which the reduction operated,) the former receipts will be hereafter exceeded, as the number of passengers is gradually increasing. From this road the State received, in 1852, the sum of \$44,000 on account of dividends, and \$59,826.69 on account of capitation tax, making a total of \$103,826.69; and, in the last year, the sum of \$55,000 for dividends, and \$70,426.38 on account of capitation tax; showing an aggregate of \$125,426.38, and an increase for the last over the former year, of \$21,599.69. In the above comparative statement I have allowed for the payments made up to the 30th of November last, the period at which the fiscal year formerly terminated. I am happy to have it in my power to lay before you such a confirmation of the assurance I gave to your predecessors, that we had every reason to expect a continuance of the revenues which have been derived from the productive works for several years past.

The Susquehanna and Tide Water Canal Companies have paid to the State the sum of \$67,100, within the last year; which is the amount of current interest, less the unimportant sum of \$387.50; and the President assures me, in a recent communication, "that there is no doubt that it will continue to be punctually met in all the future." As the fiscal year of those companies terminates on the 31st of December, I have not obtained any detailed information of their operations for the year just closed. The President, however, informs me, in general terms, that the works have earned, during the last year, an increased revenue over that of the year previous.

The indirect revenues of the State are in a sound and progressive condition. I have not been disappointed in regard to the estimates which I have heretofore given to your predecessors. At the last Session of the General Assembly, the fiscal year was made to terminate on the 30th of September, instead of the 30th of November, as formerly. It was likewise enacted that the lists and accounts of all licenses issued by the Clerks of Courts should be returned semi-annually,

on or before the first days of June and December; and those officers were required, on the said days respectively, or within ten days thereafter, to pay all sums of money received by them from that source. In order, therefore, that I might be able to present to you a comparative view of the results of the last and preceding year, I have obtained from the Comptroller a statement of the receipts from Clerks and Registers between the 1st of December 1852 and the 10th of December 1853; because, it is estimated that no more has been paid into the Treasury by those officers, to that date, than would have been accounted for by them on or before the 30th of November last, had no change been made in the termination of the fiscal year and the periods for the settlement of their accounts. During the fiscal year 1852, the Clerks of the Circuit Courts for the several counties (Baltimore County included) paid into the Treasury the sum of \$76,215.44. During the last year, they paid \$94,870.22; showing an increase of \$18,654.78. In 1852, however, \$9,068.42 (on account of collections for 1851) were received into the Treasury from former County Clerks; which made an aggregate of receipts for that year of \$85,283.86. The actual increase in the revenue received from the Clerks of Counties, during the past year, is consequently \$9,586.36.

The Registers of Wills for the several Counties (Baltimore County included) paid, in 1852, \$20,846.80; and in the last year \$35,130.69; being an increase of \$14,283.89. In 1852, \$5,224.39 were received from former Registers, making an aggregate for that year of \$26,071.19. The actual increase in the revenue received from the Registers for Counties, during the past year, is consequently \$9,059.50; and from Clerks and Registers \$18,645.86. The increase for 1852 over 1851, was \$15,043.98; so that, the aggregate increase in the revenue derived from Clerks and Registers, in the last two years, amounted to \$33,689.84.

The returns from the City of Baltimore, although by no means as gratifying as those from the Counties, furnish no reason to doubt the permanency and steady expansion of the indirect revenues. The Clerks of the Superior Court and Court of Common Pleas returned, in 1852, the aggregate sum of \$93,767.77; and, in the past year, the aggregate sum of \$94,105.65; showing an increase of \$337.88. Whilst, however, the returns of the Clerk of the Superior Court, for the last year, are greater than those of 1852, by \$2,380.49, the receipts from the Clerk of the Court of Common Pleas are less by \$2,042.61. The Clerk of the Criminal Court (who has nothing to do with the Collection of the indirect taxes) returned during the last year, principally on account of the excess of fees over the Constitutional limit of his salary, the sum of \$1,131.94; which made the aggregate receipts from the Clerks of the City amount to \$95,237.59; being an increase over the previous year of \$1,469.80. The Register for the City returned, in 1852, \$23,046.16; and, in 1853, \$30,671.31; showing an increase of \$7,625.15. The aggregate increase in the City, during the last year, was therefore, \$9,094.95; and in the whole State, \$27,740.81. I cannot present a full estimate of the revenues due for the year from the City of Baltimore, as I am informed by the Comptroller that the Clerk of the Court of Common Pleas has made no report since June last. Enough, however, has been exhibited to furnish you good grounds for confidence in this branch of the public revenue, and to strengthen you in the resolution to maintain the financial policy recommended by me to your predecessors, and adopted by them at their last Session.

I am gratified to be able to inform you that the finances of the State are in a highly prosperous condition. None of the injurious consequences, which it was apprehended by some would probably follow a reduction of the taxes, have been experienced during the past year. The calculations upon which I predicated my recommendation of that measure, in each of my last two Annual Messages, have been so far fully verified.

In speaking of the operations of the Treasury, in 1852, I shall take into account the receipts and expenditures to the thirtieth of November, (the period at which the fiscal year formerly terminated,) in order that you may be enabled thereby to judge of the results of the whole twelve months, in comparison with those of preceding years, as communicated by me to your predecessors.

The whole amount in the Treasury, during the new fiscal year ending the 30th of September last, (exclusive of \$243,519.27, received for and credited to the several funds,) was \$1,170,505.47; of which \$1,000,053.19 were the actual receipts of the year. The expenditures for the same period were \$825,147.67; and the balance in the Treasury, at the close of the fiscal year, was \$345,357.80, subject to charges (inclusive of current interest on the public debt,) amounting to \$342,650.98, and payable on and after the first day of October.

The whole amount in the Treasury, during the year estimated to the 30th of November (exclusive of \$299,005.56 received for and credited to the several funds) was \$1,387,972.19, of which \$1,217,519.91 were the actual receipts to that date, showing a decrease of \$62,433.36 as compared with the receipts of the year 1852. A large part of that decrease is accounted for by the diminished receipts from the Baltimore and Susquehanna Railroad Company, already referred to, and by other causes of an altogether temporary character. The expenditures amounted to \$1,193,569.59; and the balance in the Treasury on the 30th of November was \$194,402.60. During the same period \$55,036.68 were disbursed in aid of the Sinking Fund, and \$112,990.37 to the redemption of State Stock. If we add the two amounts last stated to the balance remaining in the Treasury on the 30th of November (\$194,402.60) it will show an actual surplus revenue for the year of \$362,429.65; after paying \$673,371.73 for interest on the public debt, and \$352,170.81 for all other purposes. This is, truly, a most gratifying result, and demonstrates the entire reliability of the public revenues. The main fact to be considered is, that, notwithstanding the reduction of forty per centum in the rate of taxation, the Treasury has discharged all of its obligations, and has practically exhibited a surplus revenue of more than three hundred and sixty thousand dollars. It may possibly be said that the new financial policy has not yet been thoroughly tested. This is in a measure true. Nevertheless, enough has been developed to satisfy me that my successor will have it in his power to lay before the Legislature, at its next session, such conclusive evidence of the soundness of that policy as to justify a still further reduction of the direct tax, or a repeal of some of the more obnoxious indirect revenue laws. It may also be worthy of consideration, that the Treasury has sustained unusual burdens for the last three years. Amongst others may be mentioned the expenditure of upwards of three hundred thousand dollars on account of the expenses of the Constitutional Convention and of the last two sessions of the General Assembly. That sum would pay the cost of five ordinary sessions, limited as they will hereafter be to less than seventy days each; and five

sessions, under the biennial system, will extend over a period of ten years. Besides the actual expense of a session of the General Assembly, an allowance must also be made for the incidental appropriations which always attend it.

In my last Annual Message, from the very uncertain information which I had obtained, I estimated the increase of the new over the old assessment at not less than forty millions of dollars. The gross amount of the new taxable basis is \$261,243,660; which would appear to exhibit an increase of \$68,462,081 over the assessment of 1852. The actual increase, however, (making allowance for that part upon which the tax is payable directly into the Treasury) amounts to \$49,667,825. Whilst the basis has thus been enlarged, the reduction in the rate of taxation has nevertheless produced a practical relief to the great body of the tax payers; because the increase has resulted from the augmentation of personal and the appreciation of real estate, not estimated in the old assessment.—The masses of the people, who were heretofore taxed to the full value of their possessions at the rate of twenty five cents in the one hundred dollars, will henceforth pay forty per cent. less; whereas those, the increments of whose property are now for the first time brought within the reach of the revenue laws, may perhaps pay as much in the aggregate as they did formerly. I remarked in my first Annual Message, when recommending the re-assessment of the property of the State, that one result of that measure would be, to add considerably to the taxable basis; and another, to distribute more equally the burdens of taxation. I have no doubt that such has been the case.

At the close of the fiscal year, 1852, the Sinking Fund amounted to \$2,728,076.01; and on the 30th of November last, to \$2,922,750.87; showing an increase for the year of \$194,674.86. It is now a little over three millions of dollars.

Such are the gratifying results of the financial operations of the Treasury during the past year. I cannot close my remarks on this subject without expressing the high opinion I entertain of the ability, faithfulness and zeal with which the Officers of the Treasury Department have discharged their laborious and responsible duties.

During the twelve months ending on the 30th of November last \$66,055.58 were received into the Treasury on account of stamps; of which \$18,229.18 were collected by the Clerks of the Counties, and the balance by the Commissioner of Stamps and the Clerks of Courts in the City of Baltimore. At least five-sevenths of the revenue derived last year from that onerous and unjust tax were levied upon the credit and commercial energies of the city of Baltimore. I respectfully recommend its repeal, for the reasons assigned in my former messages.

From the close of the fiscal year 1852 to October 1853, inclusive, \$2,273.40 were expended for the tuition of the Indigent Deaf and Dumb, and \$2,111.99 for the education of the Indigent Blind. During the same period, two beneficiaries were sent to the Institution for the instruction of the former, and two to the Institution for the instruction of the latter, in the City of Philadelphia. In accordance with the requirements of the Act of 1849, chapter 209, I send herewith a schedule of particulars.

I transmit for your examination the last Annual Report of the Directors of the Maryland Penitentiary, made to me in pursuance of law. It is eminently

deserving of your careful attention. The exhibit therein made of the financial condition of the Institution, for the last year, is in the highest degree satisfactory, and reflects great credit upon the Directors and other officers, to whose intelligent and zealous administration of its affairs these gratifying results are principally to be attributed. During the eleven years antecedent to 1845, with only three exceptions, and from 1845 continuously to 1852 inclusive, the annual expenses largely exceeded the annual earnings. The institution, being always in debt, was constantly exhausted by the payment of discounts; and it was, therefore, never able to take advantage of favorable opportunities in the market to advance its manufacturing interests. I invited the attention of your predecessors to this subject, in my first Annual Message; and they accordingly relieved the Institution from its pressing liabilities, and gave it a fixed annual appropriation of eight thousand dollars. This timely assistance has produced the most salutary effects. It has since gone into the market with a cash capital, which enabled it not only to make its purchases of raw material on the best terms, but also to withhold or sell its manufactured fabrics, as circumstances might require. I will, however, take occasion in this place to remark that the degree of prosperity attained, in the last year, may not always be reached hereafter, inasmuch as there has been an unusual demand for its manufactures for the past twelve months. I am, therefore, decidedly of the opinion that it would be injudicious to deprive the Penitentiary of the annual appropriation granted by your predecessors, even were there not a special reason for its continuance, to which I will shortly refer.

The earnings of the Institution for the last year amounted to \$45,198.22, and the expenditures to \$40,659.94; showing the products of its labor to have exceeded the entire cost of maintaining the convicts, paying the salaries of officers, and discharging commissions and interest for money, by the sum of \$4,538.28. Deducting from the amount last given the sum of \$1,539.17, expended in enlarging the stock of machinery, tools, and other necessary articles, the net revenue for the year is shown to have been \$2,999.11. It appears, therefore, that the appropriation of eight thousand dollars for the year remains untouched; and the Institution is consequently in possession of a cash capital of eleven thousand dollars. It is to the manner of applying that surplus that I now wish to direct your attention. The Report will inform you that the dormitory of the Penitentiary contains three hundred and nineteen cells; sixty-six of which are on the basement floor, and are utterly unfit for use, in consequence of excessive dampness and the want of proper ventilation; whilst there are, at this time, three hundred and twenty-nine male prisoners (exclusive of the average number of fifteen sick in the hospital) to be provided for; with a probability that that number will be increased, before any of those now in the prison shall have been discharged by the expiration of their terms of confinement. Not only has the health of many of the convicts suffered severely, but the discipline of the Institution has been impaired, and the chances of escape increased, by transferring to the rooms of the hospital those for whom sleeping cells could not be provided. The statements made by the Directors, predicated upon the earnest representations of the Physician, have convinced me that it is absolutely necessary to enlarge the dormitory without delay. The Directors inform me, in their Report, that no satisfactory estimate of the cost has yet been obtained; but that it is their impres-

sion that the addition needed can be made at an expense of six or eight thousand dollars; which is less, in proportion, than the original cost of the whole building. I, therefore, recommend that a law be passed empowering them to apply the surplus in hand (or so much thereof as may be found necessary) to that purpose. It cannot be done without the authority of an Act of Assembly, because the appropriation of eight thousand dollars already referred to, which forms a part of that surplus, is specially limited by its terms to the payment of the salaries of officers; and because, furthermore, the Directors are required, should the receipts of the year exceed the expenditures, to pay the excess into the Treasury.

It was to me a source of the deepest regret that the General Assembly, at its last two sessions, declined to grant to the House of Refuge for Juvenile Delinquents the necessary means for its early completion. But, it is much more to be lamented that the beneficial connection between that Institution and the State was thereby unavoidably severed. The Act of 1853, chapter 404, gives the control of the establishment to twenty Managers, to be hereafter selected exclusively by the members of the Association and the Corporate Authorities of Baltimore City; and not, as heretofore, in part by the State. As the just consequence of their refusal to bear a portion of the cost, the Counties consented to be deprived of all participation in the benefits of the Institution, by the repeal of so much of the fourth section of the Act of 1849, chapter 374, as authorized and empowered the Judges of the Circuit Courts for the Counties to order the removal to the House of Refuge of minors, under sixteen years of age, convicted of criminal offences. A great Public Charity, which ought to have been the pride and hope of the State, has thus been reduced to the dimensions of a purely local establishment. I sincerely trust that you may concur with me in the opinion that the policy adopted by your predecessors in this regard should not be continued. For my views generally, on this subject, I respectfully refer you to my last two Annual Messages.

I beg leave to call your attention to the Act of 1852, chapter 302, which provides for the erection of an Hospital for the Insane in this State. The fifth section, as you will perceive, evidently contemplates successive appropriations by the Legislature, for the furtherance and final completion of a noble work, to the initiation of which alone the fourth section appropriated ten thousand dollars. I earnestly recommend this most benevolent object to your liberality and fostering care.

At the risk of trespassing beyond the limits which I have assigned to this communication, I feel constrained to renew to you the earnest appeal I made to your predecessors in behalf of a general law for the regulation of the hours of labor; at least, in factories and public workshops, and wherever else mechanical employment may be found so systematized as to render the desired reformation practicable. I respectfully refer you to my last Annual Message for the reasons by which I was convinced of the eminent propriety of the measure proposed.

I submit for your action copies of a circular letter addressed to me by the Secretary of State of the United States, and of a Consular Convention between the United States and France, by which the President of the United States engages to recommend to those States of the Union, where aliens are not now permitted to hold real property, the enactment of such laws as may be necessary

for the purpose of conferring that privilege upon Frenchmen, in consideration of reciprocal rights to be granted by the Government of France to American citizens.

In accordance with the request of the "Agricultural Association of the Slaveholding or Planting States," communicated to me through its Secretary, I herewith transmit a resolution passed by that body, at a Convention held in the City of Montgomery, in the State of Alabama, on the second day of May, 1853; together with the published proceedings of the Convention. It appears that the Association has been organized for the special object of advancing scientific agriculture in the South, and for the general purpose of developing the resources and combining the energies of the Southern States, so as "to increase their wealth, power and dignity as members of this Confederacy."

The Great Seal is much worn by long use. I do not think that it is appropriate. It should, in my judgment, consist of the Arms of the State, and not of a device which has no significant relation to its local history. I recommend that another be provided.

As required by the Constitution, I send you a statement of the disbursements made out of the contingent fund, during the past year.

In a few days, Gentlemen, I shall exchange the cares and responsibilities of the Executive Office for the more desirable avocations of private life. Whilst I look forward to my retirement with feelings of great pleasure, I am not, however, unmindful of the obligations which I owe to the people of Maryland. Bound to my native State, as I have ever been, by all the sacred ties which unite a dutiful son to an indulgent mother, I now recognize additional claims to my gratitude and loyalty, created by the confidence and unmerited distinction with which she has so generously honored me. I most earnestly pray that Divine Providence may fill to overflowing the measure of her prosperity.

E. LOUIS LOWE.

EXECUTIVE DEPARTMENT, January 4th, 1854.



